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CONSEQUENCES OF A SOVIET-IRANIAN NONAGGRESSION PACT

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Submitted by the

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CONSEQUENCES OF A SOVIET-IRANIAN NONAGGRESSION PACT

THE PROBLEM

To estimate the consequences of a Soviet-Iranian nonaggression pact on Iran's foreign position and domestic situation.

THE ESTIMATE

THE SHAH'S MOTIVES

- 1. The Shah's negotiations with the USSR for a nonaggression agreement reflect his desire to retreat from the extremely vulnerable position in which he believes Iran has found itself during the past several months. His decision probably stems from the conviction that the US is unwilling to supply the increased aid and security commitments which he believes necessary to support an aggressively pro-Western position in the face of intensified Soviet threats and promises aimed at getting Iran to return to its traditional neutrality. His sense of insecurity has been heightened by the overthrow of the Nuri Said regime, the growth of Communist influence in Iraq, and continued Soviet aid to Afghanistan. He has apparently been impressed by what he deems is Nasser's ability to exploit both the East and West to the advantage of the UAR; the Shah may have hoped by the threat of an agreement with the USSR to elicit further concessions from the US. He may also fear that the West is moving toward an accommodation with Nasser. Finally, he probably believes that he can negotiate a limited agreement with the USSR which will allay Soviet pressure without seriously damaging Iran's basic ties with the US.
- 2. The Shah has indicated that he intends to limit the new agreement with the USSR to provisions whereby the USSR will agree to

cease propaganda attacks on Iran, and Iran will promise to permit no foreign military bases on its territory and will agree not to sign the contemplated bilateral military agreement with the US.¹ The Shah insists that Iran will remain a member of the Baghdad Pact, will continue to rely on the West for military and economic aid, and will not accept Soviet economic or military assistance. According to the Shah the agreement, rather than nullifying the Soviet-Iranian treaties of 26 February 1921 and 1 October 1927, will "complement" them in the light of changed conditions, and will be registered with the UN.

CONSEQUENCES FOR IRAN'S FOREIGN POSITION

- 3. The Soviet Bloc will almost certainly be able to exploit a nonaggression agreement with Iran as a psychological victory over the West and will herald it as the death rattle of the Baghdad Pact. Apart from this, the real effect of such an agreement as the Shah is apparently now contemplating will depend to a large degree on the reaction of the West especially the US to the Shah's move.
- 4. We believe that the Shah remains personally and culturally oriented toward the West.

¹ It is not yet clear how such a provision would affect certain of the present US personnel and activities in Iran.

He will probably continue to hope for Western assistance for his economic development program and for support for his Western-equipped military establishment. He will almost certainly remain convinced that US support would be indispensable to him in the event of any direct Communist aggression against Iran. He is unlikely deliberately to divorce Iran from its alliance with the West, as long as the West does not cut him off.

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- 5. The Shah, and indeed many Iranians, remain aware of the Communist threat to Iran's integrity and independence. He is likely to limit carefully the terms of any agreement with the USSR. However, if he were to become convinced that the US has written him off, he would probably feel compelled, because of Iran's isolated foreign position, internal pressures favoring neutralism, and the need to obtain economic and military aid, to take a truly neutralist position by establishing closer ties with the USSR.
- 6. The Baghdad Pact concept is likely to be the main casualty of an Iranian-Soviet nonaggression agreement. Indeed the Shah's conviction that the Pact has proven unsound as an instrument for protection of Iran's security probably played a large role in his decision to negotiate with the USSR. A Soviet-Iranian nonaggression pact would have an adverse psychological effect in Turkey and Pakistan, both of which have attempted to promote Iran's campaign for additional aid and commitments from the US. Both of these countries, however, disparage Iran's military ability and will argue that their security now requires additional strengthening of NATO and SEATO. While Iran, as a result of its compromise with the USSR, may feel itself more in sympathy than has been the case in the recent past with such neutralist nations as India and the UAR, it will probably at the same time seek to continue close relations with Turkey and Pakistan.

CONSEQUENCES FOR IRAN'S INTERNAL STABILITY

7. While the Shah's prestige will inevitably suffer to some degree as a result of his hav-

ing to change his policy, we believe that, on balance, a Soviet-Iranian nonaggression agreement of the type which the Shah is now apparently considering is unlikely to have any major effect on internal stability in Iran in the near future.2 Civilian reformist elements in Iran and some lower and middle level military officers who we believe share their generally neutralist feelings, will probably be mollified temporarily at least by the Shah's gesture of disengagement from the cold war. The more radical of them, however, are unlikely to abandon the antimonarchical feelings which are on the main basis of their opposition to the Shah. Certain conservative elements who have long approved the wisdom of Iran's seeking to preserve its independence and promote its interests through the traditional policy of playing one great power against another may also welcome the change.

8. These reactions will probably be balanced by others of opposite hue. The more radical reformist elements might interpret the Shah's moderate move as a sign of weakness and attempt to take advantage of it to promote a stronger movement toward neutralism. The military forces in general will be fearful that disengagement from the West may result in loss of military aid and consequent diminution of their privileged status. To avoid such a loss, many of them would probably be willing to accept Soviet military aid. There is also the possibility that a few top officers, suspicious of Soviet motives, desirous of continuing the military establishment in its present form, and dissatisfied with the Shah's inability to remain on his charted course, might seize the opportunity to attempt to take power and force a continuation of an aggressively pro-Western foreign policy. The chances for the latter two developments would be intensified if the feeling was to become widespread in Iran that the US had withdrawn its approval of the Shah and might be prepared to accept his ouster.

² This subject will be considered in more detail in NIE 34-59, "The Outlook for Iran," which is now in process.

